

China working to spread the gospel, and then last night I received what I believe to be an unprecedented letter from the Reverend Billy Graham, and I am going to ask unanimous consent to have it included in the RECORD and I will have copies of it here for my colleagues on the House floor.

Mr. Speaker, in this letter he says, "I am in favor of doing all we can to strengthen our relationship with China and its people. China is rapidly becoming one of the dominant economic and political powers in the world and I believe it is far better for us to keep China as a friend than to treat it as an adversary."

This is a very potent message. While the Reverend Graham does not want to get involved in the MFN debate, he makes his position very, very clear about the need to maintain engagement. I urge my colleagues to oppose the resolution of disapproval when it comes up next week.

*Montreat, NC, June 19, 1997.*

Hon. DAVID DREIER,  
Congress of the United States, House of Representatives, Washington, DC.

DEAR CONGRESSMAN DREIER, Thank you for the telephone calls concerning the People's Republic of China that you have made recently to both me and my son, Ned, who heads a ministry which works closely with the churches of China. Ned and I have discussed the issue and felt that it was important enough for me to write directly to you. Like you, I have great respect for China's long and rich heritage, and I am grateful for the opportunities I have had to visit that great country. It has been a privilege to get to know many of its leaders and also to become familiar with the actual situation of religious believers in the P.R.C.

The current debate about renewing China's "Most Favored Nation" trading status no doubt raises many complex and difficult questions, and it is not my intention to become involved in the political aspects of this issue. However, I am in favor of doing all we can to strengthen our relationship with China and its people. China is rapidly becoming one of the dominant economic and political powers in the world, and I believe it is far better for us to keep China as a friend than to treat it as an adversary. Furthermore, in my experience, nations respond to friendship just as much as people do.

While I will not be releasing a formal public statement on the M.F.N. debate, you should feel free to share my sentiments with your colleagues. May God give you and all your colleagues His wisdom as you debate this important issue.

With every good wish,

BILLY GRAHAM.

#### SPECIAL ORDERS

The SPEAKER pro tempore (Mr. CALVERT). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

#### INSOLVENCY IN SOCIAL SECURITY AND MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I would like to spend a couple of minutes talking about some of the things that were not in the budget agreement that should have been in the budget agreement. One is the problem that we are facing on the insolvency of Social Security; and another is the situation developing with an increasing insolvency problem for our Medicare Program.

What we are doing in this country now is we are asking young working families to pay in additional taxes to pay for the benefits going to senior citizens in such areas as Medicare and Social Security. I am especially concerned with Social Security because according to statistics, more and more young people are depending on that Social Security for retirement benefits as they are saving less than past generations for their own retirement.

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Let me briefly discuss the problem that we are running into on Social Security. Since it is a pay-as-you-go program, the taxes paid in by workers are taken by the Social Security Administration. Those Social Security taxes, those FICA taxes, are then paid out to existing retirees. So despite what many Americans think, that there is some kind of savings, there is not.

Since 1983 when we substantially increased the Social Security tax on working Americans, we have had a surplus coming into that fund. For every penny of surplus that has come in, we have seen the Federal Government—the U.S. Congress and the President spend every cent of that surplus coming in from Social Security taxes for other social spending that this Government has suggested it needs.

Here is the problem. When some of us brag that we are actually balancing the budget in the year 2002, the fact is that in that year, 2002, we are actually borrowing \$110 billion from the Social Security Trust Fund. So the budget is not truly in balance. Truly what we are doing is pretending that we are in balance because we are using money that is coming into the Social Security Trust Fund and spending it for other purposes.

Mr. Speaker, there are only two ways to deal with the insolvency of Social Security. We either in some fashion increase revenues or we decrease benefits.

I have introduced a Social Security bill in this last session. It is the only bill introduced in the House that deals with the problem of the insolvency of Social Security. That bill has been scored by the Social Security Administration to keep Social Security solvent for the next 75 years.

Somehow we have to get the message out to the American people, especially the younger people working, that they had better look at what their retirement benefits are. They had better look at the transfer of wealth from the working generation to the retired gen-

eration; and as we have more and more retirees in relation to the number of workers, the problem is compounding.

Here is what is happening. No. 1, people are living longer. Our medical technology has done a great job. When we started Social Security, the average age at death was 62-years-old. Today, guess what the average age at death is? The average age at death today is 75-years-old. Once you live to be 65 and start collecting Social Security, then, on the average, you are going to live to be 84. So you have, No. 1, people who are living longer, and then, No. 2, we had the biggest increase in the birth rate ever before in our history with the baby boomers, the children of the veterans of World War II.

Those baby boomers are now in their maximum earnings years. They are going to start retiring around 2008, and when they start retiring, of course, two things happen. Many more people will collect benefits and the maximum earnings of those people are not going to be taxed anymore for Social Security to pay out benefits.

So the experts are suggesting we are going to run short of money as early as 2005. Maybe it is going to be 2011 or 2012, but it could be as early as 2005. Then what do we do? How does this Federal Government, how does this Congress, Democrats and Republicans, start paying back what they have borrowed from the Social Security Trust Fund? How do we come up with the additional money necessary to pay existing benefits?

Look, politicians are going to have to take their heads out of the sand and start dealing with these tough, real problems that are facing us in the future. It is not politically popular, so many Members think they are going to be beat up back home, and I suggest that they may be right. But we have to take our heads out of the sand. Let us start dealing with these problems.

The SPEAKER pro tempore (Mr. CALVERT). Under a previous order of the House, the gentleman from California [Mr. HORN] is recognized for 5 minutes.

[Mr. HORN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

[Mr. DREIER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### THE ECONOMY: PAST, PRESENT AND FUTURE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin [Mr. NEUMANN] is recognized for 60 minutes as the designee of the majority leader.